

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 580 Session of 2023

INTRODUCED BY KINSEY, BURGOS, CEPHAS, MADDEN, HOHENSTEIN, CIRESI, SANCHEZ, HILL-EVANS, STURLA, SHUSTERMAN, PARKER, HOWARD, D. WILLIAMS, GALLOWAY, KRAJEWSKI, PASHINSKI, FREEMAN, KINKEAD, N. NELSON, CONKLIN, BULLOCK, ABNEY, GREEN AND KHAN, MARCH 20, 2023

AS REPORTED FROM COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 6, 2023

AN ACT

1 ~~Providing for the Pennsylvania Fresh Food Financing Initiative; <--~~
2 ~~and imposing powers and duties on the Department of~~
3 ~~Agriculture.~~

4 AMENDING TITLE 3 (AGRICULTURE) OF THE PENNSYLVANIA CONSOLIDATED <--
5 STATUTES, PROVIDING FOR THE FRESH FOOD FINANCING INITIATIVE;
6 ESTABLISHING THE FRESH FOOD FINANCING INITIATIVE RESTRICTED
7 ACCOUNT; AND IMPOSING DUTIES ON THE DEPARTMENT OF
8 AGRICULTURE.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 ~~Section 1. Short title. <--~~

12 ~~This act shall be known and may be cited as the Fresh Food~~
13 ~~Financing Initiative Act.~~

14 ~~Section 2. Purpose.~~

15 ~~The purpose of this act is to establish financing for a State~~
16 ~~program designed to increase the availability of fresh and~~
17 ~~nutritious food, known as the Pennsylvania Fresh Food Financing~~
18 ~~Initiative, by stimulating investment of capital, job creation,~~
19 ~~economic vitality and financing for the construction,~~

~~1 rehabilitation or expansion of grocery stores, farmers markets
2 or other healthy food retail establishments in underserved and
3 low income or moderate income communities in this Commonwealth.~~

~~4 Section 3. Definitions.~~

~~5 The following words and phrases when used in this act shall
6 have the meanings given to them in this section unless the
7 context clearly indicates otherwise:~~

~~8 "CDFI." A community development financial institution that
9 is certified by the United States Department of the Treasury
10 and provides credit and financial services for underserved
11 communities.~~

~~12 "Department." The Department of Community and Economic
13 Development of the Commonwealth.~~

~~14 "Financing." A loan, grant or loan in which repayment may be
15 waived if certain conditions or criteria established by the
16 lender are satisfied.~~

~~17 "Food access organization" or "FAO." A nonprofit
18 organization with expertise in improving access to healthy food
19 in underserved communities.~~

~~20 "Grocery store." A for profit or not for profit self service
21 retail establishment that primarily sells meat, seafood, fruits,
22 vegetables, dairy products, dry groceries, household products
23 and sundries.~~

~~24 "Healthy food retail establishment." The term includes, but
25 is not limited to, a small scale store, corner store,
26 convenience store, neighborhood store, bodega, food hub, mobile
27 market, farmers market and food aggregation and processing
28 center.~~

~~29 "Low income or moderate income community." A census tract as
30 reported in the most recently completed Federal decennial census~~

1 ~~published by the United States Census Bureau that has a poverty~~
2 ~~rate of at least 20% or in which the median family income does~~
3 ~~not exceed 80% of the greater of the Statewide or metropolitan~~
4 ~~median family income.~~

5 ~~"Program." The Pennsylvania Fresh Food Financing Initiative~~
6 ~~established under section 4.~~

7 ~~"Program administrator." The department or CDFIs selected by~~
8 ~~the department.~~

9 ~~"Underserved community." A census tract determined to be an~~
10 ~~area with low supermarket access by either the United States~~
11 ~~Department of Agriculture as identified in the Food Access~~
12 ~~Research Atlas or through a methodology that has been adopted~~
13 ~~for use by another governmental or philanthropic healthy food~~
14 ~~initiative.~~

15 ~~Section 4. Establishment.~~

16 ~~The Pennsylvania Fresh Food Financing Initiative is~~
17 ~~established.~~

18 ~~Section 5. Administration of program.~~

19 ~~(a) General rule. The program shall be administered by the~~
20 ~~department in collaboration with the Department of Agriculture,~~
21 ~~or CDFIs selected by the department, to improve food access in~~
22 ~~this Commonwealth.~~

23 ~~(b) CDFIs as program administrator. CDFIs may apply to~~
24 ~~perform the duties of program administrator. The department may~~
25 ~~select eligible CDFIs to perform the role of program~~
26 ~~administrator. CDFI applicants shall be evaluated under the~~
27 ~~eligibility requirements under subsection (c) which also may be~~
28 ~~required in rules and regulations or request for proposals~~
29 ~~issued by the department. Program administrators shall be~~
30 ~~required to enter into a contract with the department.~~

1 ~~(c) Eligibility requirements. CDFI applicants must~~
2 ~~demonstrate the following:~~

3 ~~(1) The ability to administer financing programs in~~
4 ~~accordance with Federal and State rules and accounting~~
5 ~~principles.~~

6 ~~(2) Business activity throughout this Commonwealth.~~

7 ~~(3) Experience in food based lending.~~

8 ~~(4) Experience leveraging private and philanthropic~~
9 ~~funding.~~

10 ~~(d) Program administrator duties. The program administrator~~
11 ~~shall:~~

12 ~~(1) Raise capital to leverage State funds.~~

13 ~~(2) Evaluate projects.~~

14 ~~(3) Underwrite and disburse financing to projects.~~

15 ~~(4) Establish monitoring and accountability mechanisms~~
16 ~~for projects that receive financing.~~

17 ~~(5) Report the following information annually to the~~
18 ~~department:~~

19 ~~(i) The number of projects that receive funding.~~

20 ~~(ii) The geographic distribution of the projects.~~

21 ~~(iii) The administrative and financing costs of the~~
22 ~~program.~~

23 ~~(iv) The outcomes, including, but not limited to,~~
24 ~~the number and type of jobs created and health~~
25 ~~initiatives associated with the program.~~

26 ~~(e) Program management. The program administrator shall~~
27 ~~identify and partner with a food access organization to manage~~
28 ~~the program. The FAO, in partnership with the program~~
29 ~~administrator, shall develop and establish program guidelines~~
30 ~~and eligibility criteria to meet the needs of program applicants~~

1 ~~and the communities served. The FAO shall conduct outreach and~~
2 ~~marketing of the program to the following:~~

3 ~~(1) Food producers.~~

4 ~~(2) Retailers.~~

5 ~~(3) Business entrepreneurs.~~

6 ~~(4) Local governments.~~

7 ~~(5) Communities in need of improved access.~~

8 ~~(6) Other operators in communities where infrastructure~~
9 ~~costs and credit needs are not met by conventional financial~~
10 ~~institutions.~~

11 ~~(f) Program priority. The program shall promote local~~
12 ~~agricultural products by allowing for priority to be given for~~
13 ~~projects producing, aggregating, sourcing and selling~~
14 ~~Pennsylvania farmed products, including the department's~~
15 ~~Pennsylvania Preferred program. The program may track the sale~~
16 ~~of Pennsylvania farmed products through supported retailers.~~

17 ~~(g) Program applicant eligibility. The FAO shall determine~~
18 ~~applicant eligibility using maps, data tools and other forms of~~
19 ~~market research to ensure projects are supported by the~~
20 ~~community. The FAO shall:~~

21 ~~(1) Offer grocery stores or healthy food retail~~
22 ~~establishments developing in underserved communities~~
23 ~~technical assistance and expertise in areas such as in store~~
24 ~~marketing, community engagement and local food procurement.~~

25 ~~(2) Facilitate connections between wholesalers, grocers~~
26 ~~and other technical assistance providers.~~

27 ~~(3) Develop a framework for evaluating community impact.~~

28 ~~(h) Administrative or operational costs. No more than 10%~~
29 ~~of the funding in section 7 may be reserved for administrative~~
30 ~~and operational costs to manage the program.~~

1 ~~Section 6. Financing eligibility.~~

2 ~~(a) Eligible projects. An eligible project for financing~~
3 ~~includes any of the following:~~

4 ~~(1) A for profit business enterprise, including a~~
5 ~~corporation, limited liability company, sole proprietor,~~
6 ~~cooperative or partnership.~~

7 ~~(2) A not for profit corporation.~~

8 ~~(3) An agricultural cooperative corporation.~~

9 ~~(4) A public benefit corporation municipal corporation.~~

10 ~~(5) A regional market facility or cooperative.~~

11 ~~(b) Eligible uses. An eligible use for financing includes~~
12 ~~any of the following:~~

13 ~~(1) Predevelopment costs for project feasibility.~~

14 ~~(2) Land assembly, including demolition and~~
15 ~~environmental remediation.~~

16 ~~(3) Site development.~~

17 ~~(4) Infrastructure improvement, including renovation,~~
18 ~~new construction or adaptive reuse.~~

19 ~~(5) Equipment purchases that improve the availability~~
20 ~~and quality of fresh produce.~~

21 ~~(6) Funding of debt service.~~

22 ~~(7) Innovative food access technology that assists an~~
23 ~~existing or new grocery store.~~

24 ~~(8) Innovative food access technology that assists the~~
25 ~~healthy food efforts of a food retail establishment.~~

26 ~~(9) Other healthy food initiatives.~~

27 ~~Section 7. Financing.~~

28 ~~(a) Establishment of account. A restricted account is~~
29 ~~established in the General Fund and shall be used exclusively~~
30 ~~for the program in accordance with this act. The money in the~~

1 ~~account is appropriated on a continuing basis to the department~~
2 ~~for the purposes of this act.~~

3 ~~(b) Transfer. Beginning July 1, 2023, and each fiscal year~~
4 ~~thereafter, the sum of \$5,000,000 shall be transferred from the~~
5 ~~General Fund to the restricted account established in subsection~~
6 ~~(a).~~

7 ~~(c) Contributions. The department may accept gifts,~~
8 ~~donations, legacies and other revenues, including Federal~~
9 ~~appropriations, for deposit into the restricted account.~~

10 ~~Section 8. Effective date.~~

11 ~~This act shall take effect in 60 days.~~

12 SECTION 1. TITLE 3 OF THE PENNSYLVANIA CONSOLIDATED STATUTES <--
13 IS AMENDED BY ADDING A PART TO READ:

14 PART XI

15 FOOD SECURITY

16 CHAPTER

17 121. FRESH FOOD FINANCING INITIATIVE

18 CHAPTER 121

19 FRESH FOOD FINANCING INITIATIVE

20 SEC.

21 12101. SCOPE OF CHAPTER.

22 12102. PURPOSE.

23 12103. DEFINITIONS.

24 12104. ESTABLISHMENT.

25 12105. ADMINISTRATION OF PROGRAM.

26 12106. GRANT FUND ELIGIBILITY.

27 12107. REGULATIONS.

28 12108. GRANT MONEY.

29 § 12101. SCOPE OF CHAPTER.

30 THIS CHAPTER RELATES TO THE FRESH FOOD FINANCING INITIATIVE.

1 § 12102. PURPOSE.

2 THE PURPOSE OF THIS CHAPTER IS TO STRENGTHEN LOCAL FOOD
3 SYSTEMS AND INCREASE MARKET OPPORTUNITIES FOR PENNSYLVANIA
4 FARMERS BY PROVIDING GRANT MONEY FOR:

5 (1) A STATE PROGRAM DESIGNED TO INCREASE THE
6 AVAILABILITY OF FRESH AND NUTRITIOUS FOOD, KNOWN AS THE
7 PENNSYLVANIA FRESH FOOD FINANCING INITIATIVE, THAT WILL
8 STIMULATE CAPITAL, JOB CREATION AND ECONOMIC VITALITY.

9 (2) CONSTRUCTION, REHABILITATION OR EXPANSION OF GROCERY
10 STORES, FARMERS' MARKETS OR RETAIL FOOD ESTABLISHMENTS IN
11 UNDERSERVED AND LOW-INCOME OR MODERATE-INCOME COMMUNITIES IN
12 THIS COMMONWEALTH.

13 § 12103. DEFINITIONS.

14 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
15 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
16 CONTEXT CLEARLY INDICATES OTHERWISE:

17 "BLACK, INDIGENOUS AND PERSON OF COLOR COMMUNITIES" OR "BIPOC
18 COMMUNITIES." MUNICIPALITIES WITH:

19 (1) A BLACK, INDIGENOUS AND PERSON OF COLOR POPULATION
20 OF 50% OR HIGHER; OR

21 (2) A BLACK, INDIGENOUS AND PERSON OF COLOR POPULATION
22 GREATER THAN 700 PEOPLE.

23 "FARMERS' MARKET." A BUILDING, STRUCTURE OR PLACE OWNED,
24 LEASED OR OTHERWISE IN POSSESSION BY A PERSON, MUNICIPAL
25 CORPORATION OR PUBLIC OR PRIVATE ORGANIZATION, USED OR INTENDED
26 TO BE USED BY TWO OR MORE FARMERS OR AN ASSOCIATION OF FARMERS
27 FOR THE PURPOSE OF SELLING AGRICULTURAL COMMODITIES DIRECTLY TO
28 CONSUMERS AND WHICH IS PHYSICALLY LOCATED WITHIN THIS
29 COMMONWEALTH.

30 "FOOD ACCESS ORGANIZATION." A NONPROFIT ORGANIZATION WITH

1 EXPERTISE IN IMPROVING ACCESS TO FOOD IN UNDERSERVED
2 COMMUNITIES.

3 "GROCERY STORE." A FOR-PROFIT OR NOT-FOR-PROFIT SELF-SERVICE
4 RETAIL ESTABLISHMENT THAT PRIMARILY SELLS MEAT, SEAFOOD, FRUITS,
5 VEGETABLES, DAIRY PRODUCTS, DRY GROCERIES, HOUSEHOLD PRODUCTS
6 AND SUNDRIES.

7 "LOW-INCOME OR MODERATE-INCOME COMMUNITY." A CENSUS TRACT AS
8 REPORTED IN THE MOST RECENTLY COMPLETED FEDERAL DECENNIAL CENSUS
9 PUBLISHED BY THE UNITED STATES CENSUS BUREAU THAT HAS A POVERTY
10 RATE OF AT LEAST 20% OR IN WHICH THE MEDIAN FAMILY INCOME DOES
11 NOT EXCEED 80% OF THE GREATER OF THE STATEWIDE OR METROPOLITAN
12 MEDIAN FAMILY INCOME.

13 "PROGRAM." THE PENNSYLVANIA FRESH FOOD FINANCING INITIATIVE
14 ESTABLISHED UNDER SECTION 12104 (RELATING TO ESTABLISHMENT).

15 "REGIONAL ANCHOR SUPERMARKET." A COMPANY THAT OWNS MULTIPLE
16 GROCERY STORES WITHIN A GIVEN REGION.

17 "RETAIL FOOD ESTABLISHMENT." AS DEFINED UNDER SECTION 5702
18 (RELATING TO DEFINITIONS).

19 "UNDERSERVED COMMUNITY." A CENSUS TRACT DETERMINED TO BE AN
20 AREA WITH LOW GROCERY STORE ACCESS BY EITHER THE UNITED STATES
21 DEPARTMENT OF AGRICULTURE AS IDENTIFIED IN THE FOOD ACCESS
22 RESEARCH ATLAS OR THROUGH A METHODOLOGY THAT HAS BEEN ADOPTED
23 FOR USE BY ANOTHER GOVERNMENTAL ENTITY OR FOOD ACCESS
24 ORGANIZATION.

25 "USDA-DESIGNATED FOOD DESERT." A CENSUS TRACT DECLARED TO BE
26 A FOOD DESERT BY THE UNITED STATES DEPARTMENT OF AGRICULTURE'S
27 ECONOMIC RESEARCH SERVICE.

28 § 12104. ESTABLISHMENT.

29 THE PENNSYLVANIA FRESH FOOD FINANCING INITIATIVE IS
30 ESTABLISHED.

1 § 12105. ADMINISTRATION OF PROGRAM.

2 (A) ADMINISTRATION.--THE PROGRAM SHALL BE ADMINISTERED BY
3 THE DEPARTMENT. THE DEPARTMENT MAY COLLABORATE WITH THE
4 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO IMPROVE FOOD
5 ACCESS IN THIS COMMONWEALTH.

6 (B) PROGRAM MANAGEMENT.--THE DEPARTMENT SHALL DEVELOP AND
7 ESTABLISH PROGRAM GUIDELINES AND ELIGIBILITY CRITERIA TO MEET
8 THE NEEDS OF PROGRAM APPLICANTS AND THE COMMUNITIES SERVED.

9 (C) PROGRAM PRIORITY.--

10 (1) THE PROGRAM SHALL PROMOTE LOCAL AGRICULTURAL
11 PRODUCTS BY PLACING PRIORITY ON PROJECTS PRODUCING,
12 AGGREGATING, SOURCING OR SELLING PENNSYLVANIA AGRICULTURAL
13 COMMODITIES, INCLUDING THE DEPARTMENT'S PENNSYLVANIA
14 PREFERRED® PROGRAM, THAT:

15 (I) ARE LOCATED IN, OWNED BY OR PRIMARILY SERVE
16 BIPOC COMMUNITIES. ELIGIBILITY FOR THIS PRIORITIZATION
17 SHALL BE DETERMINED BY THE CENTER FOR RURAL
18 PENNSYLVANIA'S MUNICIPAL DATA;

19 (II) PROMOTE SUPPLIER DIVERSITY AND, WHERE POSSIBLE,
20 INCREASE BUSINESS OPPORTUNITIES FOR BUSINESSES RECOGNIZED
21 BY THE DEPARTMENT OF GENERAL SERVICES AS VERIFIED AS A
22 SMALL DIVERSE BUSINESS OR A SMALL VETERAN BUSINESS; OR

23 (III) ARE LOCATED IN OR SERVE A USDA-DESIGNATED FOOD
24 DESERT.

25 (2) FOR REGIONAL ANCHOR SUPERMARKET PROJECTS, THOSE WITH
26 MATCHING FUNDS UNDER SUBSECTION (E) SHALL BE PRIORITIZED.

27 (D) PROJECT CLASS.--THE DEPARTMENT SHALL MAKE GRANTS
28 AVAILABLE IN THE FOLLOWING CLASSES:

29 (1) REGIONAL ANCHOR SUPERMARKETS.

30 (2) GROCERY STORES.

1 (3) RETAIL FOOD ESTABLISHMENTS.

2 (E) MATCHING FUNDS.--GRANTS IN AN AMOUNT NOT TO EXCEED 15%
3 OF THE FUNDING FOR ANY OF THE PROJECT CLASSES ESTABLISHED UNDER
4 SUBSECTION (D) SHALL BE AWARDED TO QUALIFYING APPLICANTS
5 SELECTED TO RECEIVE THE AWARDS FOR THE PURPOSES OF CAPITAL
6 PROJECTS. GRANTS FOR CAPITAL PROJECTS MUST BE MATCHED BY PRIVATE
7 MONEY IN AN AMOUNT EQUAL TO THE STATE GRANT.

8 (F) ADMINISTRATIVE OR OPERATIONAL COSTS.--NO MORE THAN 10%
9 OF THE FUNDING UNDER SECTION 12108 (RELATING TO GRANT MONEY) MAY
10 BE RESERVED FOR ADMINISTRATIVE AND OPERATIONAL COSTS TO MANAGE
11 THE PROGRAM. COSTS FOR PERSONNEL MAY BE INCLUDED AS PART OF THE
12 DEPARTMENT'S ADMINISTRATIVE OR OPERATIONAL COSTS.

13 § 12106. GRANT FUND ELIGIBILITY.

14 (A) ELIGIBLE APPLICANTS.--A FOR-PROFIT, NONPROFIT OR
15 COOPERATIVE ENTITY THAT MEETS THE FOLLOWING CRITERIA SHALL BE
16 ELIGIBLE TO APPLY FOR A GRANT UNDER THE PROGRAM:

17 (1) THE PRIMARY BUSINESS, MEASURED AS BEING GREATER THAN
18 OR EQUAL TO 50% OF THE ENTITY'S PREVIOUS YEAR'S ANNUAL
19 REVENUE, IS FROM THE SALE OF STAPLE AND PERISHABLE FOOD TO
20 CONSUMERS OR DIRECT TO RETAIL SETTINGS.

21 (2) THE ENTITY OPERATES AND PROVIDES SERVICE IN THIS
22 COMMONWEALTH.

23 (3) THE ENTITY SERVES CUSTOMERS THAT LIVE IN A LOW-
24 INCOME OR MODERATE-INCOME COMMUNITY.

25 (4) THE ENTITY PROVIDES ACCESS TO AFFORDABLE, HIGH-
26 QUALITY FRESH PRODUCE, MEAT AND DAIRY PRODUCTS AND OTHER
27 GROCERY ITEMS FOR LOW-TO-MODERATE INCOME SHOPPERS.

28 (5) ELIGIBLE PROJECTS ARE SUPPORTED BY THE COMMUNITY AS
29 DETERMINED BY THE DEPARTMENT USING MAPS, DATA TOOLS AND OTHER
30 FORMS OF MARKET RESEARCH.

1 (B) ELIGIBLE USES.--AN ELIGIBLE USE FOR GRANT MONEY INCLUDES
2 ANY OF THE FOLLOWING:

3 (1) EQUIPMENT PURCHASES THAT IMPROVE THE AVAILABILITY
4 AND QUALITY OF FRESH PRODUCE, MEAT AND DAIRY PRODUCTS AND
5 OTHER GROCERY ITEMS.

6 (2) INNOVATIVE FOOD ACCESS TECHNOLOGY THAT ASSISTS AN
7 EXISTING OR NEW GROCERY STORE.

8 (3) INNOVATIVE FOOD ACCESS TECHNOLOGY THAT ASSISTS THE
9 FOOD ACCESS EFFORTS OF A RETAIL FOOD ESTABLISHMENT.

10 (4) INNOVATIVE FOOD ACCESS TECHNOLOGY OR DELIVERY OF
11 FOOD TO RETAIL THAT ASSISTS THE FOOD ACCESS EFFORTS OF AN
12 ELIGIBLE APPLICANT.

13 (C) APPLICATION REVIEW AND APPROVAL.--THE DEPARTMENT SHALL
14 DEVISE, AWARD AND ADMINISTER GRANTS TO ELIGIBLE APPLICANTS.

15 (D) STANDARDS AND REQUIREMENTS.--

16 (1) THE DEPARTMENT SHALL ESTABLISH GRANT PROGRAM
17 STANDARDS AND REQUIREMENTS FOR A GRANT PROGRAM UNDER THIS
18 CHAPTER AND SHALL TRANSMIT NOTICE OF THE GRANT PROGRAM
19 STANDARDS AND REQUIREMENTS TO THE LEGISLATIVE REFERENCE
20 BUREAU FOR PUBLICATION IN THE NEXT AVAILABLE ISSUE OF THE
21 PENNSYLVANIA BULLETIN.

22 (2) GRANT PROGRAM STANDARDS AND REQUIREMENTS MUST DO THE
23 FOLLOWING:

24 (I) ESTABLISH ELIGIBILITY STANDARDS FOR APPLICANTS.

25 (II) DESCRIBE THE OBJECTIVES OF THE GRANT PROGRAM,
26 WHICH SHALL BE CONSISTENT WITH THIS CHAPTER.

27 (III) ESTABLISH CAPS, LIMITS AND RESTRICTIONS WITH
28 RESPECT TO GRANT AMOUNTS.

29 (IV) ESTABLISH AN APPLICATION PROCESS AND TIMETABLE.

30 (V) PRESENT THE CRITERIA UNDER WHICH GRANT

1 APPLICATIONS SHALL BE EVALUATED BY THE DEPARTMENT.

2 (VI) ESTABLISH A TIMETABLE WITHIN WHICH THE
3 DEPARTMENT SHALL AWARD OR DISAPPROVE A COMPLETED GRANT
4 APPLICATION.

5 (VII) ESTABLISH PROCEDURES BY WHICH THE DEPARTMENT
6 SHALL VERIFY EXPENDITURES OF GRANT MONEY BY A GRANT
7 RECIPIENT.

8 (E) LIMITATION ON GRANTS.--

9 (1) GRANTS MAY ONLY BE AWARDED TO THE EXTENT MONEY IS
10 APPROPRIATED BY THE GENERAL ASSEMBLY.

11 (2) THE SECRETARY MAY APPROVE A GRANT IN LESS THAN A
12 REQUESTED AMOUNT. THE SECRETARY MAY ALSO IMPOSE RESTRICTIONS
13 OR SPECIAL CONDITIONS UPON THE ISSUANCE OF A GRANT.

14 (F) DISPOSITION OF GRANTS.--

15 (1) THE DEPARTMENT MAY REQUIRE A WRITTEN AGREEMENT
16 DESCRIBING THE TERMS AND CONDITIONS OF THE GRANT.

17 (2) THE DEPARTMENT MAY ESTABLISH CRITERIA UNDER WHICH
18 THE SECRETARY MAY DEMAND THE RETURN OF ALL OR A PORTION OF
19 THE GRANT MONEY.

20 § 12107. REGULATIONS.

21 THE DEPARTMENT MAY PROMULGATE RULES AND REGULATIONS TO
22 ADMINISTER AND ENFORCE THIS CHAPTER.

23 § 12108. GRANT MONEY.

24 (A) ESTABLISHMENT OF ACCOUNT.--THE FRESH FOOD FINANCING
25 INITIATIVE RESTRICTED ACCOUNT IS ESTABLISHED IN THE GENERAL FUND
26 AND SHALL BE USED EXCLUSIVELY FOR THE PROGRAM IN ACCORDANCE WITH
27 THIS CHAPTER. THE MONEY IN THE ACCOUNT IS APPROPRIATED ON A
28 CONTINUING BASIS TO THE DEPARTMENT FOR THE PURPOSES OF THIS
29 CHAPTER.

30 (B) SUPPLEMENTS TO ACCOUNT.--IN ADDITION TO STATE MONEY

1 APPROPRIATED TO THE DEPARTMENT FOR THE PROGRAM, THE DEPARTMENT
2 MAY ALSO ACCEPT GIFTS, DONATIONS, LEGACIES AND OTHER REVENUES,
3 INCLUDING FEDERAL APPROPRIATIONS, FOR DEPOSIT INTO THE
4 RESTRICTED ACCOUNT.

5 SECTION 2. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.